



State of California

Employment Training Panel

Arnold Schwarzenegger, Governor

January 4, 2010

Carlo Mendoza, Controller
Advance Paper Box Company
6100 Gramercy Place
Los Angeles, CA 90047

Dear Mr. Mendoza:

RE: **FINAL MONITORING VISIT REPORT** for Advance Paper Box Company – ET08-0291

Date of the Visit:	12/23/09
Beginning/Ending Time:	10:00 a.m. – 1:00 p.m.
Date of Last Visit:	04/09/09
Visit Location:	Los Angeles
Persons in attendance:	Carlo Mendoza, Controller Adrian Aguirre, Pacifico Group Gilberto Pelaez, ETP Analyst
Action Required:	No

CONTRACT INFORMATION:

Term of Agreement:	12/18/07 – 12/17/09	Agreement Amount:	\$412,776
Training Start Date:	12/20/07	No. to Retain:	156
Date Training must be Completed:	09/17/09	Range of Hours:	24 - 190
Type of Trainee:	Retrainee	Weighted Ave. Hours:	147

FINAL REPORT SUMMARY:

• HISTORY OF AGREEMENT CHANGES

SACRAMENTO CENTRAL OFFICE
1100 J Street, 4th Floor
SACRAMENTO, CA 95814
(916) 327-5640

N. HOLLYWOOD REGIONAL OFFICE
4640 Lankershim Blvd., Suite 311
NORTH HOLLYWOOD, CA 91602
(818) 755-1313

S.F. BAY AREA REGIONAL OFFICE
1065 East Hillsdale Blvd, Suite 415
FOSTER CITY, CA 94404
(650) 655-6930

SAN DIEGO REGIONAL OFFICE
5353 Mission Center Road, Suite 110
SAN DIEGO, CA 92108
(619) 686-1920

The Agreement was executed on 1/22/08 and training began on 12/20/07. Your staff reported that all training was completed on 9/16/09, which allows for the 90-day retention period to be completed within the term ending date of the Agreement on 12/17/09.

In reference to the overall experience Advance Paper Box Corporation had in implementing the ETP project, you addressed the following questions:

1) The reason(s) why Advance Paper Box Company was unable to complete all training for the 156 trainees specified in the Agreement?

Advance Paper Box Company was significantly impacted by the recession, and had to impose reduced work hours for our employees. We also conducted temporary furloughs, and could not achieve consistency as to when our employees are working regular hours or not temporarily working for lack of work. Given the economic environment, Advance Paper Box Company focused on operating our company based on the numerous challenges brought by this severe recession, and as such training had to be subordinated to the operation of the business.

2) What barriers, if any, did your company experience in implementing the ETP project?
Our company did not experience barriers implementing the ETP project.

3) What problems, if any, did your company experience with ETP record keeping?
Our company did not have any problems regarding ETP record keeping.

4) What assistance could ETP have provided that would improve the process for future contractors?
ETP has been very helpful to us, and we cannot think of other areas to improve.

5) How did the company benefit from the ETP training?

Our Company benefitted significantly from our ETP training. Our ISO certification program is progressing as a direct result of the ETP program. Furthermore, the Company acquired certifications for our sustainability programs from the Forestry Stewardship Council (FSC) and from the Sustainable Forestry Initiative (SFI) organizations, with our final audit being passed 4th quarter 2009. As a direct result of these certifications, the Company was able to secure a very sizable business on December 2009, which we hope will be a beach-head for future sales in the sustainable packaging industry. In summary, the company has trained our workforce in many areas, but a particular success was in the sustainable packaging industry, where the ETP program directly enabled the company to train our workers in the requirement of the sustainable industry which directly translated to a new area of business for the company.

Based on information provided by your project staff and current data from the ETP On-Line Tracking System, 86 (55%) of the 156 trainees to be retained completed training and their 90-day retention period. The data also indicated that those trainees (86) completed approximately 3,114 (13.6%) of the 22,932 class/lab training hours funded. Based on the aforementioned data, and assuming all agreement requirements are met, Advance Paper Box Company would have earned approximately \$56,052 (13.6%) of the \$412,776 funded.

As of 1/04/10, according to the current Contract Status Report, Advance Paper Company, has been paid \$53,581.50 in progress payments.

Note: All progress payments are earned only after the training and employment retention are completed and the Contractor completes all other requirements in the Agreement.

PROJECT STATUS PROVIDED BY THE CONTRACTOR:

Job Number	Number to Retain	Number Enrolled in Training	Number of Trainees Dropped (following enrollment)	Number of Trainees Completed Minimum Hours	Number of Trainees Completed all Training	Number of Trainees Completed Retention
1	156	176	1	86	86	86
Totals	156	176	1	86	86	86

ATTENDANCE ROSTERS/ INVOICES:

The Analyst reviewed the attendance records of 12 trainees who completed training and the 90day retention period. The records contain the required information and signatures.

The above findings are based only on the training records reviewed during this visit and represent only a sample of the training records completed to date. Therefore, it is your responsibility to ensure that all training records comply with panel requirements for auditing purposes. (Reference: Title 22 California Code of Regulations, Section 4442)

AUDIT:

Advance Paper Box Company will be notified in writing if this agreement is selected for an audit that will be conducted either at your site (field audit) or by telephone if selected for a desk audit (or "review"). These notifications will be sent in advance to allow ample preparation time and will include a list of documentation that will be examined by the auditor. A list of the documentation typically examined during an audit will be included along with the Audit Notification and Audit Confirmation letters. To provide support of training, original training attendance documentation is required; photocopied records are not acceptable. Listed below are types of records typically requested during an ETP field audit:

- Training attendance records such as rosters, sign-in sheets, etc.
- Payroll records of individual trainees to verify wage and hours worked
- Personnel records regarding occupation and dates of employment
- Documentation of employer paid health benefits (if applicable)
- Cash receipts to verify receipt and accounting of ETP funds

RECORD RETENTION:

Records must be retained within your control and be available for review at your place of business within the State of California. This responsibility will terminate no sooner than four (4) years from the date of the termination of the Agreement or three (3) years from the date of the last payment by ETP to the Contractor, or the date of resolution of appeals, audits, claims, exceptions, or litigation, whichever is later.

Please contact your Monitoring Analyst within ten working days at (818) 755-1323 or gpelaez@etp.ca.gov if you have any questions or comments.

Sincerely,

Signature on file

Wally Aguilar, Manager
North Hollywood Regional Office

Signature on file

Gilberto Pelaez, Contract Analyst
North Hollywood Regional Office

cc: David Guzman, Chief ETP Audit & Programs Operations Division
Kulbir Mayall, Manager, Certification & Fiscal Unit
Master File
Project File

Date report mailed to Contractor 1/5/10